

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1627

ANSWERED ON:27.02.2003

EXPLORATION OF OIL AND GAS UNDER NELP

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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government have recently signed agreements for sharing of production under NELP-III;
- (b) if so, the details thereof;
- (c) the measures being taken so far for the exploration of oil and gas in the country under the new exploration policy alongwith the results thereof;
- (d) whether the Government oil companies are lagging behind the private companies for want of the state of the art technology and equipments for digging/exploration etc.;
- (e) if so, the details of quantity of oil reserves explored in the country and likely investment to be made on exploration of blocks under NELP-III; and
- (f) the time by which these oil fields will start providing oil and gas?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas (Shri Santosh Kumar Gangwar)

(a) & (b):-Government has, on the 4th February, 2003 signed Production Sharing Contracts (PSCs) with National Oil Companies (NOCs) and private companies, either singly or in consortium with other companies, in respect of 23 exploration blocks awarded under the third round of New Exploration Licensing Policy (NELP). Out of these 23 blocks, 8 blocks are onland, 6 blocks in shallow waters and 9 blocks in deep waters.

(c), (e) & (f):- To increase exploration efforts through NELP, PSCs have been signed by the Government in respect of 70 blocks under the three rounds of NELP and 9 discoveries have been made. As on the 1st April, 2002, the oil and gas reserves in the country have been estimated to be about 1,491 million metric tonne (MMT).

The estimated investment for the exploration blocks under NELP-III as indicated by the successful bidders in their bids is US\$ 1,039 million (Rs. 5002 Crores approx.). As per the terms of the PSCs, the contractor has the option to walkout at the end of each of the three exploration phases, provided the minimum work programme for that phase has been completed.

(a) No, Sir.

Foreign Exchange rate US\$1 = Rs. 48.15